

State of Hawaii DEPARTMENT OF AGRICULTURE 1428 South King Street

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TESTIMONY OF RUSSELL S. KOKUBUN CHAIRPERSON, BOARD OF AGRICULTURE

BEFORE THE HOUSE COMMITTEE ON AGRICULTURE FRIDAY, JANUARY 27, 2012 8:30 a.m. Room 312

HOUSE BILL NO. 1945 RELATING TO PUBLIC UTILITIES

Chairperson Tsuji and Members of the Committee:

Thank you for the opportunity to testify on House Bill No. 1945 that amends

Section 269-26.5, HRS (preferential water rates for agricultural activities) to authorize
the Public Utilities Commission to establish preferential rates for public utility services
provided to ratepayers that are engaged in agricultural activities within the public utilities
service area. The public utility services for which preferential rates are to be
established for qualified agricultural activities include potable water, electricity, and
freight transport. Preferential rates are to be subsidized by rates charged to other
customers of the public utility.

As a strong advocate for agriculture in Hawaii, the Department supports the intent of this bill that amends Section 269-26.5, HRS that may reduce the cost of electricity to farms and transporting crops and livestock from agricultural operations.



Otherwise, we defer to the Public Utilities Commission (PUC) regarding the reasonableness and feasibility of this measure.